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*Jeffrey M. Nelson*  
*Chief Counsel & Director of Legal Services*

March 16, 2018

**VIA ELECTRONIC FILING**

Jocelyn G. Boyd, Esquire  
Chief Clerk & Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

RE: Application of Duke Energy Progress, LLC for Approval of the Transfer and Sale of  
Property in Holly Springs, North Carolina  
**Docket No. 2018-79-E**

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed Duke Energy Progress, LLC's ("Company") filing in the above-referenced docket. Based on the review ORS does not oppose the filing submitted by the Company for the transfer and sale of property in Holly Springs, NC ("Property") to Shenandoah Homes LLC ("Shenandoah Homes").

South Carolina Code Ann. § 58-27-1300 requires the Company to obtain permission from the Public Service Commission of South Carolina when the Company wishes to "sell, assign, transfer, lease, consolidate, or merge..." real property with a fair market value in excess of \$1,000,000.

The Property is a parcel of vacant land of 425 acres and is not required for the Company's current utility operations. The Company has entered into a contract with Shenandoah Homes to sell the Property for \$17,000,000. The Property has a tax value of \$14,695,799; appraisals of the Property valued the Property at \$9,300,000 and \$12,765,000; and the Property has a net book value of \$591,622.

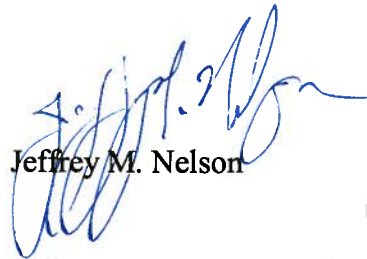
Letter – Jocelyn G. Boyd, Esquire  
March 16, 2018  
Page 2 of 2

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The original cost of the Property being sold will be credited as a reduction of the amount carried upon the books of DEP under Account 101, "Electric Plant in Service." The difference between the sales price and the original cost of the non-depreciable Property will be applied to Account 421.10, "Gain on Disposition of Property."

Thank you for your consideration in this matter and please do not hesitate to contact me if you have any concerns regarding the matter above.

Sincerely,



Jeffrey M. Nelson

cc: Frank R. Ellerbe, III, Esquire (via E-Mail)  
Heather Shirley Smith, Esquire (via E-Mail)  
Rebecca J. Dulin, Esquire (via E-Mail)  
Samuel J. Wellborn, Esquire (via E-Mail)  
Joseph Melchers, Esquire (via E-Mail)